

AMENDED IN ASSEMBLY JULY 8, 2003
AMENDED IN ASSEMBLY JUNE 26, 2003
AMENDED IN SENATE MAY 12, 2003
AMENDED IN SENATE APRIL 30, 2003
AMENDED IN SENATE MARCH 25, 2003

SENATE BILL

No. 824

Introduced by Senator Scott
(Coauthors: Assembly Members Koretz and Longville)

February 21, 2003

An act to amend Sections 12071, 12074, 12077, and 12082, of the Penal Code, relating to firearms.

LEGISLATIVE COUNSEL'S DIGEST

SB 824, as amended, Scott. Firearms.

Existing law generally regulates licensed firearms dealers.

This bill would authorize firearms dealers to require any agent who handles, sells, or delivers firearms to obtain and provide to the dealer a certificate of eligibility from the department.

Existing law requires firearms dealers to record specified information pertaining to firearms transfers in a register or record of electronic transfer.

This bill would additionally require the firearms dealer's salesperson to record the salesperson's certificate of eligibility number in the register or record of electronic transfer.

Existing law provides for parties to a firearms transaction who are not licensed firearms dealers to conduct the transaction through a licensed firearms dealer.

This bill would make other conforming changes.

Existing law authorizes a firearms dealer to charge a fee not to exceed \$10, and a fee due the Department of Justice, for processing a sale, loan, or transfer of a firearm pursuant to provisions authorizing parties who are not firearms dealers to conduct the transaction through a firearms dealer.

This bill would prohibit the dealer from charging any fee in addition to those described in connection with the transaction.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 12071 of the Penal Code, as amended by
2 Section 1 of Chapter 911 of the Statutes of 2002, is amended to
3 read:

4 12071. (a) (1) As used in this chapter, the term “licensee,”
5 “person licensed pursuant to Section 12071,” or “dealer” means
6 a person who has all of the following:

7 (A) A valid federal firearms license.

8 (B) Any regulatory or business license, or licenses, required by
9 local government.

10 (C) A valid seller’s permit issued by the State Board of
11 Equalization.

12 (D) A certificate of eligibility issued by the Department of
13 Justice pursuant to paragraph (4).

14 (E) A license issued in the format prescribed by paragraph (6).

15 (F) Is among those recorded in the centralized list specified in
16 subdivision (e).

17 (2) The duly constituted licensing authority of a city, county, or
18 a city and county shall accept applications for, and may grant
19 licenses permitting, licensees to sell firearms at retail within the
20 city, county, or city and county. The duly constituted licensing
21 authority shall inform applicants who are denied licenses of the
22 reasons for the denial in writing.

23 (3) No license shall be granted to any applicant who fails to
24 provide a copy of his or her valid federal firearms license, valid



1 seller's permit issued by the State Board of Equalization, and the
2 certificate of eligibility described in paragraph (4).

3 (4) A person may request a certificate of eligibility from the
4 Department of Justice and the Department of Justice shall issue a
5 certificate to an applicant if the department's records indicate that
6 the applicant is not a person who is prohibited from possessing
7 firearms.

8 (5) The department shall adopt regulations to administer the
9 certificate of eligibility program and shall recover the full costs of
10 administering the program by imposing fees assessed to applicants
11 who apply for those certificates.

12 (6) A license granted by the duly constituted licensing
13 authority of any city, county, or city and county, shall be valid for
14 not more than one year from the date of issuance and shall be in
15 one of the following forms:

16 (A) In the form prescribed by the Attorney General.

17 (B) A regulatory or business license that states on its face
18 "Valid for Retail Sales of Firearms" and is endorsed by the
19 signature of the issuing authority.

20 (C) A letter from the duly constituted licensing authority
21 having primary jurisdiction for the applicant's intended business
22 location stating that the jurisdiction does not require any form of
23 regulatory or business license or does not otherwise restrict or
24 regulate the sale of firearms.

25 (7) Local licensing authorities may assess fees to recover their
26 full costs of processing applications for licenses.

27 (b) A license is subject to forfeiture for a breach of any of the
28 following prohibitions and requirements:

29 (1) (A) Except as provided in subparagraphs (B) and (C), the
30 business shall be conducted only in the buildings designated in the
31 license.

32 (B) A person licensed pursuant to subdivision (a) may take
33 possession of firearms and commence preparation of registers for
34 the sale, delivery, or transfer of firearms at gun shows or events,
35 as defined in Section 178.100 of Title 27 of the Code of Federal
36 Regulations, or its successor, if the gun show or event is not
37 conducted from any motorized or towed vehicle. A person
38 conducting business pursuant to this subparagraph shall be entitled
39 to conduct business as authorized herein at any gun show or event
40 in the state without regard to the jurisdiction within this state that

1 issued the license pursuant to subdivision (a), provided the person
2 complies with (i) all applicable laws, including, but not limited to,
3 the waiting period specified in subparagraph (A) of paragraph (3),
4 and (ii) all applicable local laws, regulations, and fees, if any.

5 A person conducting business pursuant to this subparagraph
6 shall publicly display his or her license issued pursuant to
7 subdivision (a), or a facsimile thereof, at any gun show or event,
8 as specified in this subparagraph.

9 (C) A person licensed pursuant to subdivision (a) may engage
10 in the sale and transfer of firearms other than pistols, revolvers, or
11 other firearms capable of being concealed upon the person, at
12 events specified in subdivision (g) of Section 12078, subject to the
13 prohibitions and restrictions contained in that subdivision.

14 A person licensed pursuant to subdivision (a) also may accept
15 delivery of firearms other than pistols, revolvers, or other firearms
16 capable of being concealed upon the person, outside the building
17 designated in the license, provided the firearm is being donated for
18 the purpose of sale or transfer at an auction or similar event
19 specified in subdivision (g) of Section 12078.

20 (D) The firearm may be delivered to the purchaser, transferee,
21 or person being loaned the firearm at one of the following places:

22 (i) The building designated in the license.

23 (ii) The places specified in subparagraph (B) or (C).

24 (iii) The place of residence of, the fixed place of business of,
25 or on private property owned or lawfully possessed by, the
26 purchaser, transferee, or person being loaned the firearm.

27 (2) The license or a copy thereof, certified by the issuing
28 authority, shall be displayed on the premises where it can easily be
29 seen.

30 (3) No firearm shall be delivered:

31 (A) Within 10 days of the application to purchase, or, after
32 notice by the department pursuant to subdivision (d) of Section
33 12076, within 10 days of the submission to the department of any
34 correction to the application, or within 10 days of the submission
35 to the department of any fee required pursuant to subdivision (e)
36 of Section 12076, whichever is later.

37 (B) Unless unloaded and securely wrapped or unloaded and in
38 a locked container.

1 (C) Unless the purchaser, transferee, or person being loaned the
2 firearm presents clear evidence of his or her identity and age to the
3 dealer.

4 (D) Whenever the dealer is notified by the Department of
5 Justice that the person is in a prohibited class described in Section
6 12021 or 12021.1 of this code or Section 8100 or 8103 of the
7 Welfare and Institutions Code. The dealer shall make available to
8 the person in the prohibited class a prohibited notice and transfer
9 form, provided by the department, stating that the person is
10 prohibited from owning or possessing a firearm, and that the
11 person may obtain from the department the reason for the
12 prohibition.

13 (4) No pistol, revolver, or other firearm or imitation thereof
14 capable of being concealed upon the person, or placard advertising
15 the sale or other transfer thereof, shall be displayed in any part of
16 the premises where it can readily be seen from the outside.

17 (5) The licensee shall agree to and shall act properly and
18 promptly in processing firearms transactions pursuant to Section
19 12082.

20 (6) The licensee shall comply with Sections 12073, 12076, and
21 12077, subdivisions (a) and (b) of Section 12072, and subdivision
22 (a) of Section 12316.

23 (7) The licensee shall post conspicuously within the licensed
24 premises the following warnings in block letters not less than one
25 inch in height:

26 (A) "IF YOU KEEP A LOADED FIREARM WITHIN ANY
27 PREMISES UNDER YOUR CUSTODY OR CONTROL, AND
28 A PERSON UNDER 18 YEARS OF AGE OBTAINS IT AND
29 USES IT, RESULTING IN INJURY OR DEATH, OR CARRIES
30 IT TO A PUBLIC PLACE, YOU MAY BE GUILTY OF A
31 MISDEMEANOR OR A FELONY UNLESS YOU STORED
32 THE FIREARM IN A LOCKED CONTAINER OR LOCKED
33 THE FIREARM WITH A LOCKING DEVICE, TO KEEP IT
34 FROM TEMPORARILY FUNCTIONING."

35 (B) "IF YOU KEEP A PISTOL, REVOLVER, OR OTHER
36 FIREARM CAPABLE OF BEING CONCEALED UPON THE
37 PERSON, WITHIN ANY PREMISES UNDER YOUR
38 CUSTODY OR CONTROL, AND A PERSON UNDER 18
39 YEARS OF AGE GAINS ACCESS TO THE FIREARM, AND
40 CARRIES IT OFF-PREMISES, YOU MAY BE GUILTY OF A

1 MISDEMEANOR, UNLESS YOU STORED THE FIREARM IN
2 A LOCKED CONTAINER, OR LOCKED THE FIREARM
3 WITH A LOCKING DEVICE, TO KEEP IT FROM
4 TEMPORARILY FUNCTIONING.”

5 (C) “IF YOU KEEP ANY FIREARM WITHIN ANY
6 PREMISES UNDER YOUR CUSTODY OR CONTROL, AND
7 A PERSON UNDER 18 YEARS OF AGE GAINS ACCESS TO
8 THE FIREARM, AND CARRIES IT OFF-PREMISES TO A
9 SCHOOL OR SCHOOL-SPONSORED EVENT, YOU MAY BE
10 GUILTY OF A MISDEMEANOR, INCLUDING A FINE OF UP
11 TO FIVE THOUSAND DOLLARS (\$5,000), UNLESS YOU
12 STORED THE FIREARM IN A LOCKED CONTAINER, OR
13 LOCKED THE FIREARM WITH A LOCKING DEVICE.”

14 (D) “DISCHARGING FIREARMS IN POORLY
15 VENTILATED AREAS, CLEANING FIREARMS, OR
16 HANDLING AMMUNITION MAY RESULT IN EXPOSURE
17 TO LEAD, A SUBSTANCE KNOWN TO CAUSE BIRTH
18 DEFECTS, REPRODUCTIVE HARM, AND OTHER SERIOUS
19 PHYSICAL INJURY. HAVE ADEQUATE VENTILATION AT
20 ALL TIMES. WASH HANDS THOROUGHLY AFTER
21 EXPOSURE.”

22 (E) “FEDERAL REGULATIONS PROVIDE THAT IF YOU
23 DO NOT TAKE PHYSICAL POSSESSION OF THE FIREARM
24 THAT YOU ARE ACQUIRING OWNERSHIP OF WITHIN 30
25 DAYS AFTER YOU COMPLETE THE INITIAL
26 BACKGROUND CHECK PAPERWORK, THEN YOU HAVE
27 TO GO THROUGH THE BACKGROUND CHECK PROCESS
28 A SECOND TIME IN ORDER TO TAKE PHYSICAL
29 POSSESSION OF THAT FIREARM.”

30 (F) “NO PERSON SHALL MAKE AN APPLICATION TO
31 PURCHASE MORE THAN ONE PISTOL, REVOLVER, OR
32 OTHER FIREARM CAPABLE OF BEING CONCEALED
33 UPON THE PERSON WITHIN ANY 30-DAY PERIOD AND
34 NO DELIVERY SHALL BE MADE TO ANY PERSON WHO
35 HAS MADE AN APPLICATION TO PURCHASE MORE
36 THAN ONE PISTOL, REVOLVER, OR OTHER FIREARM
37 CAPABLE OF BEING CONCEALED UPON THE PERSON
38 WITHIN ANY 30-DAY PERIOD.”

39 (8) (A) Commencing April 1, 1994, and until January 1, 2003,
40 no pistol, revolver, or other firearm capable of being concealed

1 upon the person shall be delivered unless the purchaser, transferee,
2 or person being loaned the firearm presents to the dealer a basic
3 firearms safety certificate.

4 (B) Commencing January 1, 2003, no dealer may deliver a
5 handgun unless the person receiving the handgun presents to the
6 dealer a valid handgun safety certificate. The firearms dealer shall
7 retain a photocopy of the handgun safety certificate as proof of
8 compliance with this requirement.

9 (C) Commencing January 1, 2003, no handgun may be
10 delivered unless the purchaser, transferee, or person being loaned
11 the firearm presents documentation indicating that he or she is a
12 California resident. Satisfactory documentation shall include a
13 utility bill from within the last three months, a residential lease, a
14 property deed, or military permanent duty station orders indicating
15 assignment within this state, or other evidence of residency as
16 permitted by the Department of Justice. The firearms dealer shall
17 retain a photocopy of the documentation as proof of compliance
18 with this requirement.

19 (D) Commencing January 1, 2003, except as authorized by the
20 department, no firearms dealer may deliver a handgun unless the
21 recipient performs a safe handling demonstration with that
22 handgun. The demonstration shall commence with the handgun
23 unloaded and locked with the firearm safety device with which it
24 is required to be delivered, if applicable. While maintaining
25 muzzle awareness, that is, the firearm is pointed in a safe direction,
26 preferably down at the ground, and trigger discipline, that is, the
27 trigger finger is outside of the trigger guard and along side of the
28 handgun frame, at all times, the handgun recipient shall correctly
29 and safely perform the following:

30 (i) If the handgun is a semiautomatic pistol:

31 (I) Remove the magazine.

32 (II) Lock the slide back. If the model of firearm does not allow
33 the slide to be locked back, pull the slide back, visually and
34 physically check the chamber to ensure that it is clear.

35 (III) Visually and physically inspect the chamber, to ensure that
36 the handgun is unloaded.

37 (IV) Remove the firearm safety device, if applicable. If the
38 firearm safety device prevents any of the previous steps, remove
39 the firearm safety device during the appropriate step.

- 1 (V) Load one bright orange, red, or other readily identifiable
- 2 dummy round into the magazine. If no readily identifiable dummy
- 3 round is available, an empty cartridge casing with an empty primer
- 4 pocket may be used.
- 5 (VI) Insert the magazine into the magazine well of the firearm.
- 6 (VII) Manipulate the slide release or pull back and release the
- 7 slide.
- 8 (VIII) Remove the magazine.
- 9 (IX) Visually inspect the chamber to reveal that a round can be
- 10 chambered with the magazine removed.
- 11 (X) Lock the slide back to eject the bright orange, red, or other
- 12 readily identifiable dummy round. If the handgun is of a model that
- 13 does not allow the slide to be locked back, pull the slide back and
- 14 physically check the chamber to ensure that the chamber is clear.
- 15 If no readily identifiable dummy round is available, an empty
- 16 cartridge casing with an empty primer pocket may be used.
- 17 (XI) Apply the safety, if applicable.
- 18 (XII) Apply the firearm safety device, if applicable. This
- 19 requirement shall not apply to an Olympic competition pistol if no
- 20 firearms safety device, other than a cable lock that the department
- 21 has determined would damage the barrel of the pistol, has been
- 22 approved for the pistol, and the pistol is either listed in paragraph
- 23 (2) of subdivision (h) of Section 12132 or is subject to paragraph
- 24 (3) of subdivision (h) of Section 12132.
- 25 (ii) If the handgun is a double-action revolver:
- 26 (I) Open the cylinder.
- 27 (II) Visually and physically inspect each chamber, to ensure
- 28 that the revolver is unloaded.
- 29 (III) Remove the firearm safety device. If the firearm safety
- 30 device prevents any of the previous steps, remove the firearm
- 31 safety device during the appropriate step.
- 32 (IV) While maintaining muzzle awareness and trigger
- 33 discipline, load one bright orange, red, or other readily identifiable
- 34 dummy round into a chamber of the cylinder and rotate the
- 35 cylinder so that the round is in the next-to-fire position. If no
- 36 readily identifiable dummy round is available, an empty cartridge
- 37 casing with an empty primer pocket may be used.
- 38 (V) Close the cylinder.
- 39 (VI) Open the cylinder and eject the round.



1 (VII) Visually and physically inspect each chamber to ensure
2 that the revolver is unloaded.

3 (VIII) Apply the firearm safety device, if applicable. This
4 requirement shall not apply to an Olympic competition pistol if no
5 firearms safety device, other than a cable lock that the department
6 has determined would damage the barrel of the pistol, has been
7 approved for the pistol, and the pistol is either listed in paragraph
8 (2) of subdivision (h) of Section 12132 or is subject to paragraph
9 (3) of subdivision (h) of Section 12132.

10 (iii) If the handgun is a single-action revolver:

11 (I) Open the loading gate.

12 (II) Visually and physically inspect each chamber, to ensure
13 that the revolver is unloaded.

14 (III) Remove the firearm safety device required to be sold with
15 the handgun. If the firearm safety device prevents any of the
16 previous steps, remove the firearm safety device during the
17 appropriate step.

18 (IV) Load one bright orange, red, or other readily identifiable
19 dummy round into a chamber of the cylinder, close the loading
20 gate and rotate the cylinder so that the round is in the next-to-fire
21 position. If no readily identifiable dummy round is available, an
22 empty cartridge casing with an empty primer pocket may be used.

23 (V) Open the loading gate and unload the revolver.

24 (VI) Visually and physically inspect each chamber to ensure
25 that the revolver is unloaded.

26 (VII) Apply the firearm safety device, if applicable. This
27 requirement shall not apply to an Olympic competition pistol if no
28 firearms safety device, other than a cable lock that the department
29 has determined would damage the barrel of the pistol, has been
30 approved for the pistol, and the pistol is either listed in paragraph
31 (2) of subdivision (h) of Section 12132 or is subject to paragraph
32 (3) of subdivision (h) of Section 12132.

33 (E) The recipient shall receive instruction regarding how to
34 render that handgun safe in the event of a jam.

35 (F) The firearms dealer shall sign and date an affidavit stating
36 that the requirements of subparagraph (D) have been met. The
37 firearms dealer shall additionally obtain the signature of the
38 handgun purchaser on the same affidavit. The firearms dealer shall
39 retain the original affidavit as proof of compliance with this
40 requirement.

1 (G) The recipient shall perform the safe handling
2 demonstration for a department certified instructor.

3 (H) No demonstration shall be required if the dealer is
4 returning the handgun to the owner of the handgun.

5 (I) Department certified instructors who may administer the
6 safe handling demonstration shall meet the requirements set forth
7 in subdivision (j) of Section 12804.

8 (J) The persons who are exempt from the requirements of
9 subdivision (b) of Section 12801, pursuant to Section 12807, are
10 also exempt from performing the safe handling demonstration.

11 (9) Commencing July 1, 1992, the licensee shall offer to
12 provide the purchaser or transferee of a firearm, or person being
13 loaned a firearm, with a copy of the pamphlet described in Section
14 12080 and may add the cost of the pamphlet, if any, to the sales
15 price of the firearm.

16 (10) The licensee shall not commit an act of collusion as
17 defined in Section 12072.

18 (11) The licensee shall post conspicuously within the licensed
19 premises a detailed list of each of the following:

20 (A) All charges required by governmental agencies for
21 processing firearm transfers required by Sections 12076, 12082,
22 and 12806.

23 (B) All fees that the licensee charges pursuant to Sections
24 12082 and 12806.

25 (12) The licensee shall not misstate the amount of fees charged
26 by a governmental agency pursuant to Sections 12076, 12082, and
27 12806.

28 (13) The licensee shall report the loss or theft of any firearm
29 that is merchandise of the licensee, any firearm that the licensee
30 takes possession of pursuant to Section 12082, or any firearm kept
31 at the licensee's place of business within 48 hours of discovery to
32 the appropriate law enforcement agency in the city, county, or city
33 and county where the licensee's business premises are located.

34 (14) Any time when the licensee is not open for business, the
35 licensee shall store all firearms kept in his or her licensed place of
36 business using one of the following methods as to each particular
37 firearm:

38 (A) Store the firearm in a secure facility that is a part of, or that
39 constitutes, the licensee's business premises.

1 (B) Secure the firearm with a hardened steel rod or cable of at
2 least one-eighth inch in diameter through the trigger guard of the
3 firearm. The steel rod or cable shall be secured with a hardened
4 steel lock that has a shackle. The lock and shackle shall be
5 protected or shielded from the use of a bolt cutter and the rod or
6 cable shall be anchored in a manner that prevents the removal of
7 the firearm from the premises.

8 (C) Store the firearm in a locked fireproof safe or vault in the
9 licensee's business premises.

10 (15) The licensing authority in an unincorporated area of a
11 county or within a city may impose security requirements that are
12 more strict or are at a higher standard than those specified in
13 paragraph (14).

14 (16) Commencing January 1, 1994, the licensee shall, upon the
15 issuance or renewal of a license, submit a copy of the same to the
16 Department of Justice.

17 (17) The licensee shall maintain and make available for
18 inspection during business hours to any peace officer, authorized
19 local law enforcement employee, or Department of Justice
20 employee designated by the Attorney General, upon the
21 presentation of proper identification, a firearms transaction
22 record.

23 (18) (A) On the date of receipt, the licensee shall report to the
24 Department of Justice in a format prescribed by the department the
25 acquisition by the licensee of the ownership of a pistol, revolver,
26 or other firearm capable of being concealed upon the person.

27 (B) The provisions of this paragraph shall not apply to any of
28 the following transactions:

29 (i) A transaction subject to the provisions of subdivision (n) of
30 Section 12078.

31 (ii) The dealer acquired the firearm from a wholesaler.

32 (iii) The dealer is also licensed as a secondhand dealer pursuant
33 to Article 4 (commencing with Section 21625) of Chapter 9 of
34 Division 8 of the Business and Professions Code.

35 (iv) The dealer acquired the firearm from a person who is
36 licensed as a manufacturer or importer to engage in those activities
37 pursuant to Chapter 44 (commencing with Section 921) of Title 18
38 of the United States Code and any regulations issued pursuant
39 thereto.

1 (v) The dealer acquired the firearm from a person who resides
2 outside this state who is licensed pursuant to Chapter 44
3 (commencing with Section 921) of Title 18 of the United States
4 Code and any regulations issued pursuant thereto.

5 (19) The licensee shall forward in a format prescribed by the
6 Department of Justice, information as required by the department
7 on any firearm that is not delivered within the time period set forth
8 in Section 178.102 (c) of Title 27 of the Code of Federal
9 Regulations.

10 (20) (A) Firearms dealers may require any agent who handles,
11 sells, or delivers firearms to obtain and provide to the dealer a
12 certificate of eligibility from the department pursuant to paragraph
13 (4) of subdivision (a). The agent or employee shall provide on the
14 application, the name and California firearms dealer number of the
15 firearms dealer with whom he or she is employed.

16 (B) The department shall notify the firearms dealer in the event
17 that the agent or employee who has a certificate of eligibility is or
18 becomes prohibited from possessing firearms.

19 (C) If the local jurisdiction requires a background check of the
20 agents or employees of the firearms dealer, the agent or employee
21 shall obtain a certificate of eligibility pursuant to subparagraph
22 (A).

23 (D) Nothing in this paragraph shall be construed to preclude a
24 local jurisdiction from conducting an additional background
25 check pursuant to Section 11105 or prohibiting employment based
26 on criminal history that does not appear as part of obtaining a
27 certificate of eligibility, provided however, that the local
28 jurisdiction may not charge a fee for the additional criminal history
29 check.

30 (E) The licensee shall prohibit any agent who the licensee
31 knows or reasonably should know is within a class of persons
32 prohibited from possessing firearms pursuant to Section 12021 or
33 12021.1 of this code, or Section 8100 or 8103 of the Welfare and
34 Institutions Code, from coming into contact with any firearm that
35 is not secured and from accessing any key, combination, code, or
36 other means to open any of the locking devices described in clause
37 (ii) of subparagraph (G) of this paragraph.

38 (F) Nothing in this paragraph shall be construed as preventing
39 a local government from enacting an ordinance imposing
40 additional conditions on licensees with regard to agents.

(G) For purposes of this section, the following definitions shall apply:

(i) An “agent” is an employee of the licensee.

(ii) “Secured” means a firearm that is made inoperable in one or more of the following ways:

(I) The firearm is inoperable because it is secured by a firearms safety device listed on the department’s roster of approved firearms safety devices pursuant to subdivision (d) of Section 12088 of this chapter.

(II) The firearm is stored in a locked gun safe or long-gun safe which meets the standards for department-approved gun safes set forth in Section 12088.2.

(III) The firearm is stored in a distinct locked room or area in the building that is used to store firearms that can only be unlocked by a key, a combination, or similar means.

(IV) The firearm is secured with a hardened steel rod or cable that is at least one-eighth of an inch in diameter through the trigger guard of the firearm. The steel rod or cable shall be secured with a hardened steel lock that has a shackle. The lock and shackle shall be protected or shielded from the use of a bolt cutter and the rod or cable shall be anchored in a manner that prevents the removal of the firearm from the premises.

(c) (1) As used in this article, “clear evidence of his or her identity and age” means either of the following:

(A) A valid California driver’s license.

(B) A valid California identification card issued by the Department of Motor Vehicles.

(2) As used in this section, a “secure facility” means a building that meets all of the following specifications:

(A) All perimeter doorways shall meet one of the following:

(i) A windowless steel security door equipped with both a dead bolt and a doorknob lock.

(ii) A windowed metal door that is equipped with both a dead bolt and a doorknob lock. If the window has an opening of 5 inches or more measured in any direction, the window shall be covered with steel bars of at least 1/2 inch diameter or metal grating of at least 9 gauge affixed to the exterior or interior of the door.

(iii) A metal grate that is padlocked and affixed to the licensee’s premises independent of the door and doorframe.

(B) All windows are covered with steel bars.

1 (C) Heating, ventilating, air-conditioning, and service
2 openings are secured with steel bars, metal grating, or an alarm
3 system.

4 (D) Any metal grates have spaces no larger than 6 inches wide
5 measured in any direction.

6 (E) Any metal screens have spaces no larger than 3 inches wide
7 measured in any direction.

8 (F) All steel bars shall be no further than 6 inches apart.

9 (3) As used in this section, “licensed premises,” “licensed
10 place of business,” “licensee’s place of business,” or “licensee’s
11 business premises” means the building designated in the license.

12 (4) For purposes of paragraph (17) of subdivision (b):

13 (A) A “firearms transaction record” is a record containing the
14 same information referred to in subdivision (a) of Section
15 178.124, Section 178.124a, and subdivision (e) of Section
16 178.125 of Title 27 of the Code of Federal Regulations.

17 (B) A licensee shall be in compliance with the provisions of
18 paragraph (17) of subdivision (b) if he or she maintains and makes
19 available for inspection during business hours to any peace officer,
20 authorized local law enforcement employee, or Department of
21 Justice employee designated by the Attorney General, upon the
22 presentation of proper identification, the bound book containing
23 the same information referred to in Section 178.124a and
24 subdivision (e) of Section 178.125 of Title 27 of the Code of
25 Federal Regulations and the records referred to in subdivision (a)
26 of Section 178.124 of Title 27 of the Code of Federal Regulations.

27 (d) Upon written request from a licensee, the licensing
28 authority may grant an exemption from compliance with the
29 requirements of paragraph (14) of subdivision (b) if the licensee
30 is unable to comply with those requirements because of local
31 ordinances, covenants, lease conditions, or similar circumstances
32 not under the control of the licensee.

33 (e) Except as otherwise provided in this subdivision, the
34 Department of Justice shall keep a centralized list of all persons
35 licensed pursuant to subparagraphs (A) to (E), inclusive, of
36 paragraph (1) of subdivision (a). The department may remove
37 from this list any person who knowingly or with gross negligence
38 violates this article. Upon removal of a dealer from this list,
39 notification shall be provided to local law enforcement and
40 licensing authorities in the jurisdiction where the dealer’s business

1 is located. The department shall make information about an
2 individual dealer available, upon request, for one of the following
3 purposes only:

4 (1) For law enforcement purposes.

5 (2) When the information is requested by a person licensed
6 pursuant to Chapter 44 (commencing with Section 921) of Title 18
7 of the United States Code for determining the validity of the
8 license for firearm shipments.

9 (3) When information is requested by a person promoting,
10 sponsoring, operating, or otherwise organizing a show or event as
11 defined in Section 178.100 of Title 27 of the Code of Federal
12 Regulations, or its successor, who possesses a valid certificate of
13 eligibility issued pursuant to Section 12071.1, if that information
14 is requested by the person to determine the eligibility of a
15 prospective participant in a gun show or event to conduct
16 transactions as a firearms dealer pursuant to subparagraph (B) of
17 paragraph (1) of subdivision (b). Information provided pursuant
18 to this paragraph shall be limited to information necessary to
19 corroborate an individual's current license status.

20 (f) The Department of Justice may inspect dealers to ensure
21 compliance with this article. The department may assess an annual
22 fee, not to exceed one hundred fifteen dollars (\$115), to cover the
23 reasonable cost of maintaining the list described in subdivision (e),
24 including the cost of inspections. Dealers whose place of business
25 is in a jurisdiction that has adopted an inspection program to ensure
26 compliance with firearms law shall be exempt from that portion of
27 the department's fee that relates to the cost of inspections. The
28 applicant is responsible for providing evidence to the department
29 that the jurisdiction in which the business is located has the
30 inspection program.

31 (g) The Department of Justice shall maintain and make
32 available upon request information concerning the number of
33 inspections conducted and the amount of fees collected pursuant
34 to subdivision (f), a listing of exempted jurisdictions, as defined
35 in subdivision (f), the number of dealers removed from the
36 centralized list defined in subdivision (e), and the number of
37 dealers found to have violated this article with knowledge or gross
38 negligence.

39 (h) Paragraph (14) or (15) of subdivision (b) shall not apply to
40 a licensee organized as a nonprofit public benefit or mutual benefit

1 corporation organized pursuant to Part 2 (commencing with
2 Section 5110) or Part 3 (commencing with Section 7110) of
3 Division 2 of the Corporations Code, if both of the following
4 conditions are satisfied:

5 (1) The nonprofit public benefit or mutual benefit corporation
6 obtained the dealer's license solely and exclusively to assist that
7 corporation or local chapters of that corporation in conducting
8 auctions or similar events at which firearms are auctioned off to
9 fund the activities of that corporation or the local chapters of the
10 corporation.

11 (2) The firearms are not pistols, revolvers, or other firearms
12 capable of being concealed upon the person.

13 SEC. 2. Section 12071 of the Penal Code, as amended by
14 Section 1.5 of Chapter 911 of the Statutes of 2002, is amended to
15 read:

16 12071. (a) (1) As used in this chapter, the term "licensee,"
17 "person licensed pursuant to Section 12071," or "dealer" means
18 a person who has all of the following:

19 (A) A valid federal firearms license.

20 (B) Any regulatory or business license, or licenses, required by
21 local government.

22 (C) A valid seller's permit issued by the State Board of
23 Equalization.

24 (D) A certificate of eligibility issued by the Department of
25 Justice pursuant to paragraph (4).

26 (E) A license issued in the format prescribed by paragraph (6).

27 (F) Is among those recorded in the centralized list specified in
28 subdivision (e).

29 (2) The duly constituted licensing authority of a city, county, or
30 a city and county shall accept applications for, and may grant
31 licenses permitting, licensees to sell firearms at retail within the
32 city, county, or city and county. The duly constituted licensing
33 authority shall inform applicants who are denied licenses of the
34 reasons for the denial in writing.

35 (3) No license shall be granted to any applicant who fails to
36 provide a copy of his or her valid federal firearms license, valid
37 seller's permit issued by the State Board of Equalization, and the
38 certificate of eligibility described in paragraph (4).

39 (4) A person may request a certificate of eligibility from the
40 Department of Justice and the Department of Justice shall issue a

1 certificate to an applicant if the department's records indicate that
2 the applicant is not a person who is prohibited from possessing
3 firearms.

4 (5) The department shall adopt regulations to administer the
5 certificate of eligibility program and shall recover the full costs of
6 administering the program by imposing fees assessed to applicants
7 who apply for those certificates.

8 (6) A license granted by the duly constituted licensing
9 authority of any city, county, or city and county, shall be valid for
10 not more than one year from the date of issuance and shall be in
11 one of the following forms:

12 (A) In the form prescribed by the Attorney General.

13 (B) A regulatory or business license that states on its face
14 "Valid for Retail Sales of Firearms" and is endorsed by the
15 signature of the issuing authority.

16 (C) A letter from the duly constituted licensing authority
17 having primary jurisdiction for the applicant's intended business
18 location stating that the jurisdiction does not require any form of
19 regulatory or business license or does not otherwise restrict or
20 regulate the sale of firearms.

21 (7) Local licensing authorities may assess fees to recover their
22 full costs of processing applications for licenses.

23 (b) A license is subject to forfeiture for a breach of any of the
24 following prohibitions and requirements:

25 (1) (A) Except as provided in subparagraphs (B) and (C), the
26 business shall be conducted only in the buildings designated in the
27 license.

28 (B) A person licensed pursuant to subdivision (a) may take
29 possession of firearms and commence preparation of registers for
30 the sale, delivery, or transfer of firearms at gun shows or events,
31 as defined in Section 178.100 of Title 27 of the Code of Federal
32 Regulations, or its successor, if the gun show or event is not
33 conducted from any motorized or towed vehicle. A person
34 conducting business pursuant to this subparagraph shall be entitled
35 to conduct business as authorized herein at any gun show or event
36 in the state without regard to the jurisdiction within this state that
37 issued the license pursuant to subdivision (a), provided the person
38 complies with (i) all applicable laws, including, but not limited to,
39 the waiting period specified in subparagraph (A) of paragraph (3),
40 and (ii) all applicable local laws, regulations, and fees, if any.

1 A person conducting business pursuant to this subparagraph
2 shall publicly display his or her license issued pursuant to
3 subdivision (a), or a facsimile thereof, at any gun show or event,
4 as specified in this subparagraph.

5 (C) A person licensed pursuant to subdivision (a) may engage
6 in the sale and transfer of firearms other than pistols, revolvers, or
7 other firearms capable of being concealed upon the person, at
8 events specified in subdivision (g) of Section 12078, subject to the
9 prohibitions and restrictions contained in that subdivision.

10 A person licensed pursuant to subdivision (a) also may accept
11 delivery of firearms other than pistols, revolvers, or other firearms
12 capable of being concealed upon the person, outside the building
13 designated in the license, provided the firearm is being donated for
14 the purpose of sale or transfer at an auction or similar event
15 specified in subdivision (g) of Section 12078.

16 (D) The firearm may be delivered to the purchaser, transferee,
17 or person being loaned the firearm at one of the following places:

- 18 (i) The building designated in the license.
- 19 (ii) The places specified in subparagraph (B) or (C).
- 20 (iii) The place of residence of, the fixed place of business of,
21 or on private property owned or lawfully possessed by, the
22 purchaser, transferee, or person being loaned the firearm.

23 (2) The license or a copy thereof, certified by the issuing
24 authority, shall be displayed on the premises where it can easily be
25 seen.

26 (3) No firearm shall be delivered:

27 (A) Within 10 days of the application to purchase, or, after
28 notice by the department pursuant to subdivision (d) of Section
29 12076, within 10 days of the submission to the department of any
30 correction to the application, or within 10 days of the submission
31 to the department of any fee required pursuant to subdivision (e)
32 of Section 12076, whichever is later.

33 (B) Unless unloaded and securely wrapped or unloaded and in
34 a locked container.

35 (C) Unless the purchaser, transferee, or person being loaned the
36 firearm presents clear evidence of his or her identity and age to the
37 dealer.

38 (D) Whenever the dealer is notified by the Department of
39 Justice that the person is in a prohibited class described in Section
40 12021 or 12021.1 of this code or Section 8100 or 8103 of the

Welfare and Institutions Code. The dealer shall make available to the person in the prohibited class a prohibited notice and transfer form, provided by the department, stating that the person is prohibited from owning or possessing a firearm, and that the person may obtain from the department the reason for the prohibition.

(4) No pistol, revolver, or other firearm or imitation thereof capable of being concealed upon the person, or placard advertising the sale or other transfer thereof, shall be displayed in any part of the premises where it can readily be seen from the outside.

(5) The licensee shall agree to and shall act properly and promptly in processing firearms transactions pursuant to Section 12082.

(6) The licensee shall comply with Sections 12073, 12076, and 12077, subdivisions (a) and (b) and paragraph (1) of subdivision (f) of Section 12072, and subdivision (a) of Section 12316.

(7) The licensee shall post conspicuously within the licensed premises the following warnings in block letters not less than one inch in height:

(A) “IF YOU KEEP A LOADED FIREARM WITHIN ANY PREMISES UNDER YOUR CUSTODY OR CONTROL, AND A PERSON UNDER 18 YEARS OF AGE OBTAINS IT AND USES IT, RESULTING IN INJURY OR DEATH, OR CARRIES IT TO A PUBLIC PLACE, YOU MAY BE GUILTY OF A MISDEMEANOR OR A FELONY UNLESS YOU STORED THE FIREARM IN A LOCKED CONTAINER OR LOCKED THE FIREARM WITH A LOCKING DEVICE, TO KEEP IT FROM TEMPORARILY FUNCTIONING.”

(B) “IF YOU KEEP A PISTOL, REVOLVER, OR OTHER FIREARM CAPABLE OF BEING CONCEALED UPON THE PERSON, WITHIN ANY PREMISES UNDER YOUR CUSTODY OR CONTROL, AND A PERSON UNDER 18 YEARS OF AGE GAINS ACCESS TO THE FIREARM, AND CARRIES IT OFF-PREMISES, YOU MAY BE GUILTY OF A MISDEMEANOR, UNLESS YOU STORED THE FIREARM IN A LOCKED CONTAINER, OR LOCKED THE FIREARM WITH A LOCKING DEVICE, TO KEEP IT FROM TEMPORARILY FUNCTIONING.”

(C) “IF YOU KEEP ANY FIREARM WITHIN ANY PREMISES UNDER YOUR CUSTODY OR CONTROL, AND

1 A PERSON UNDER 18 YEARS OF AGE GAINS ACCESS TO
2 THE FIREARM, AND CARRIES IT OFF-PREMISES TO A
3 SCHOOL OR SCHOOL-SPONSORED EVENT, YOU MAY BE
4 GUILTY OF A MISDEMEANOR, INCLUDING A FINE OF UP
5 TO FIVE THOUSAND DOLLARS (\$5,000), UNLESS YOU
6 STORED THE FIREARM IN A LOCKED CONTAINER, OR
7 LOCKED THE FIREARM WITH A LOCKING DEVICE.”

8 (D) “DISCHARGING FIREARMS IN POORLY
9 VENTILATED AREAS, CLEANING FIREARMS, OR
10 HANDLING AMMUNITION MAY RESULT IN EXPOSURE
11 TO LEAD, A SUBSTANCE KNOWN TO CAUSE BIRTH
12 DEFECTS, REPRODUCTIVE HARM, AND OTHER SERIOUS
13 PHYSICAL INJURY. HAVE ADEQUATE VENTILATION AT
14 ALL TIMES. WASH HANDS THOROUGHLY AFTER
15 EXPOSURE.”

16 (E) “FEDERAL REGULATIONS PROVIDE THAT IF YOU
17 DO NOT TAKE PHYSICAL POSSESSION OF THE FIREARM
18 THAT YOU ARE ACQUIRING OWNERSHIP OF WITHIN 30
19 DAYS AFTER YOU COMPLETE THE INITIAL
20 BACKGROUND CHECK PAPERWORK, THEN YOU HAVE
21 TO GO THROUGH THE BACKGROUND CHECK PROCESS
22 A SECOND TIME IN ORDER TO TAKE PHYSICAL
23 POSSESSION OF THAT FIREARM.”

24 (F) “NO PERSON SHALL MAKE AN APPLICATION TO
25 PURCHASE MORE THAN ONE PISTOL, REVOLVER, OR
26 OTHER FIREARM CAPABLE OF BEING CONCEALED
27 UPON THE PERSON WITHIN ANY 30-DAY PERIOD AND
28 NO DELIVERY SHALL BE MADE TO ANY PERSON WHO
29 HAS MADE AN APPLICATION TO PURCHASE MORE
30 THAN ONE PISTOL, REVOLVER, OR OTHER FIREARM
31 CAPABLE OF BEING CONCEALED UPON THE PERSON
32 WITHIN ANY 30-DAY PERIOD.”

33 (8) (A) Commencing April 1, 1994, and until January 1, 2003,
34 no pistol, revolver, or other firearm capable of being concealed
35 upon the person shall be delivered unless the purchaser, transferee,
36 or person being loaned the firearm presents to the dealer a basic
37 firearms safety certificate.

38 (B) Commencing January 1, 2003, no dealer may deliver a
39 handgun unless the person receiving the handgun presents to the
40 dealer a valid handgun safety certificate. The firearms dealer shall

1 retain a photocopy of the handgun safety certificate as proof of
2 compliance with this requirement.

3 (C) Commencing January 1, 2003, no handgun may be
4 delivered unless the purchaser, transferee, or person being loaned
5 the firearm presents documentation indicating that he or she is a
6 California resident. Satisfactory documentation shall include a
7 utility bill from within the last three months, a residential lease, a
8 property deed, or military permanent duty station orders indicating
9 assignment within this state, or other evidence of residency as
10 permitted by the Department of Justice. The firearms dealer shall
11 retain a photocopy of the documentation as proof of compliance
12 with this requirement.

13 (D) Commencing January 1, 2003, except as authorized by the
14 department, no firearms dealer may deliver a handgun unless the
15 recipient performs a safe handling demonstration with that
16 handgun. The demonstration shall commence with the handgun
17 unloaded and locked with the firearm safety device with which it
18 is required to be delivered, if applicable. While maintaining
19 muzzle awareness, that is, the firearm is pointed in a safe direction,
20 preferably down at the ground, and trigger discipline, that is, the
21 trigger finger is outside of the trigger guard and along side of the
22 handgun frame, at all times, the handgun recipient shall correctly
23 and safely perform the following:

24 (i) If the handgun is a semiautomatic pistol:

25 (I) Remove the magazine.

26 (II) Lock the slide back. If the model of firearm does not allow
27 the slide to be locked back, pull the slide back, visually and
28 physically check the chamber to ensure that it is clear.

29 (III) Visually and physically inspect the chamber, to ensure that
30 the handgun is unloaded.

31 (IV) Remove the firearm safety device, if applicable. If the
32 firearm safety device prevents any of the previous steps, remove
33 the firearm safety device during the appropriate step.

34 (V) Load one bright orange, red, or other readily identifiable
35 dummy round into the magazine. If no readily identifiable dummy
36 round is available, an empty cartridge casing with an empty primer
37 pocket may be used.

38 (VI) Insert the magazine into the magazine well of the firearm.

39 (VII) Manipulate the slide release or pull back and release the
40 slide.

- 1 (VIII) Remove the magazine.
- 2 (IX) Visually inspect the chamber to reveal that a round can be
- 3 chambered with the magazine removed.
- 4 (X) Lock the slide back to eject the bright orange, red, or other
- 5 readily identifiable dummy round. If the handgun is of a model that
- 6 does not allow the slide to be locked back, pull the slide back and
- 7 physically check the chamber to ensure that the chamber is clear.
- 8 If no readily identifiable dummy round is available, an empty
- 9 cartridge casing with an empty primer pocket may be used.
- 10 (XI) Apply the safety, if applicable.
- 11 (XII) Apply the firearm safety device, if applicable. This
- 12 requirement shall not apply to an Olympic competition pistol if no
- 13 firearms safety device, other than a cable lock that the department
- 14 has determined would damage the barrel of the pistol, has been
- 15 approved for the pistol, and the pistol is either listed in paragraph
- 16 (2) of subdivision (h) of Section 12132 or is subject to paragraph
- 17 (3) of subdivision (h) of Section 12132.
- 18 (ii) If the handgun is a double-action revolver:
- 19 (I) Open the cylinder.
- 20 (II) Visually and physically inspect each chamber, to ensure
- 21 that the revolver is unloaded.
- 22 (III) Remove the firearm safety device. If the firearm safety
- 23 device prevents any of the previous steps, remove the firearm
- 24 safety device during the appropriate step.
- 25 (IV) While maintaining muzzle awareness and trigger
- 26 discipline, load one bright orange, red, or other readily identifiable
- 27 dummy round into a chamber of the cylinder and rotate the
- 28 cylinder so that the round is in the next-to-fire position. If no
- 29 readily identifiable dummy round is available, an empty cartridge
- 30 casing with an empty primer pocket may be used.
- 31 (V) Close the cylinder.
- 32 (VI) Open the cylinder and eject the round.
- 33 (VII) Visually and physically inspect each chamber to ensure
- 34 that the revolver is unloaded.
- 35 (VIII) Apply the firearm safety device, if applicable. This
- 36 requirement shall not apply to an Olympic competition pistol if no
- 37 firearms safety device, other than a cable lock that the department
- 38 has determined would damage the barrel of the pistol, has been
- 39 approved for the pistol, and the pistol is either listed in paragraph



(2) of subdivision (h) of Section 12132 or is subject to paragraph (3) of subdivision (h) of Section 12132.

(iii) If the handgun is a single-action revolver:

(I) Open the loading gate.

(II) Visually and physically inspect each chamber, to ensure that the revolver is unloaded.

(III) Remove the firearm safety device required to be sold with the handgun. If the firearm safety device prevents any of the previous steps, remove the firearm safety device during the appropriate step.

(IV) Load one bright orange, red, or other readily identifiable dummy round into a chamber of the cylinder, close the loading gate and rotate the cylinder so that the round is in the next-to-fire position. If no readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.

(V) Open the loading gate and unload the revolver.

(VI) Visually and physically inspect each chamber to ensure that the revolver is unloaded.

(VII) Apply the firearm safety device, if applicable. This requirement shall not apply to an Olympic competition pistol if no firearms safety device, other than a cable lock that the department has determined would damage the barrel of the pistol, has been approved for the pistol, and the pistol is either listed in paragraph (2) of subdivision (h) of Section 12132 or is subject to paragraph (3) of subdivision (h) of Section 12132.

(E) The recipient shall receive instruction regarding how to render that handgun safe in the event of a jam.

(F) The firearms dealer shall sign and date an affidavit stating that the requirements of subparagraph (D) have been met. The firearms dealer shall additionally obtain the signature of the handgun purchaser on the same affidavit. The firearms dealer shall retain the original affidavit as proof of compliance with this requirement.

(G) The recipient shall perform the safe handling demonstration for a department certified instructor.

(H) No demonstration shall be required if the dealer is returning the handgun to the owner of the handgun.

(I) Department certified instructors who may administer the safe handling demonstration shall meet the requirements set forth in subdivision (j) of Section 12804.

1 (J) The persons who are exempt from the requirements of
2 subdivision (b) of Section 12801, pursuant to Section 12807, are
3 also exempt from performing the safe handling demonstration.

4 (9) Commencing July 1, 1992, the licensee shall offer to
5 provide the purchaser or transferee of a firearm, or person being
6 loaned a firearm, with a copy of the pamphlet described in Section
7 12080 and may add the cost of the pamphlet, if any, to the sales
8 price of the firearm.

9 (10) The licensee shall not commit an act of collusion as
10 defined in Section 12072.

11 (11) The licensee shall post conspicuously within the licensed
12 premises a detailed list of each of the following:

13 (A) All charges required by governmental agencies for
14 processing firearm transfers required by Sections 12076, 12082,
15 and 12806.

16 (B) All fees that the licensee charges pursuant to Sections
17 12082 and 12806.

18 (12) The licensee shall not misstate the amount of fees charged
19 by a governmental agency pursuant to Sections 12076, 12082, and
20 12806.

21 (13) The licensee shall report the loss or theft of any firearm
22 that is merchandise of the licensee, any firearm that the licensee
23 takes possession of pursuant to Section 12082, or any firearm kept
24 at the licensee's place of business within 48 hours of discovery to
25 the appropriate law enforcement agency in the city, county, or city
26 and county where the licensee's business premises are located.

27 (14) Any time when the licensee is not open for business, the
28 licensee shall store all firearms kept in his or her licensed place of
29 business using one of the following methods as to each particular
30 firearm:

31 (A) Store the firearm in a secure facility that is a part of, or that
32 constitutes, the licensee's business premises.

33 (B) Secure the firearm with a hardened steel rod or cable of at
34 least one-eighth inch in diameter through the trigger guard of the
35 firearm. The steel rod or cable shall be secured with a hardened
36 steel lock that has a shackle. The lock and shackle shall be
37 protected or shielded from the use of a bolt cutter and the rod or
38 cable shall be anchored in a manner that prevents the removal of
39 the firearm from the premises.

1 (C) Store the firearm in a locked fireproof safe or vault in the
2 licensee's business premises.

3 (15) The licensing authority in an unincorporated area of a
4 county or within a city may impose security requirements that are
5 more strict or are at a higher standard than those specified in
6 paragraph (14).

7 (16) Commencing January 1, 1994, the licensee shall, upon the
8 issuance or renewal of a license, submit a copy of the same to the
9 Department of Justice.

10 (17) The licensee shall maintain and make available for
11 inspection during business hours to any peace officer, authorized
12 local law enforcement employee, or Department of Justice
13 employee designated by the Attorney General, upon the
14 presentation of proper identification, a firearms transaction
15 record.

16 (18) (A) On the date of receipt, the licensee shall report to the
17 Department of Justice in a format prescribed by the department the
18 acquisition by the licensee of the ownership of a pistol, revolver,
19 or other firearm capable of being concealed upon the person.

20 (B) The provisions of this paragraph shall not apply to any of
21 the following transactions:

22 (i) A transaction subject to the provisions of subdivision (n) of
23 Section 12078.

24 (ii) The dealer acquired the firearm from a wholesaler.

25 (iii) The dealer is also licensed as a secondhand dealer pursuant
26 to Article 4 (commencing with Section 21625) of Chapter 9 of
27 Division 8 of the Business and Professions Code.

28 (iv) The dealer acquired the firearm from a person who is
29 licensed as a manufacturer or importer to engage in those activities
30 pursuant to Chapter 44 (commencing with Section 921) of Title 18
31 of the United States Code and any regulations issued pursuant
32 thereto.

33 (v) The dealer acquired the firearm from a person who resides
34 outside this state who is licensed pursuant to Chapter 44
35 (commencing with Section 921) of Title 18 of the United States
36 Code and any regulations issued pursuant thereto.

37 (19) The licensee shall forward in a format prescribed by the
38 Department of Justice, information as required by the department
39 on any firearm that is not delivered within the time period set forth

1 in Section 178.102 (c) of Title 27 of the Code of Federal
2 Regulations.

3 (20) (A) Firearms dealers may require any agent who handles,
4 sells, or delivers firearms to obtain and provide to the dealer a
5 certificate of eligibility from the department pursuant to paragraph
6 (4) of subdivision (a). The agent or employee shall provide on the
7 application, the name and California firearms dealer number of the
8 firearms dealer with whom he or she is employed.

9 (B) The department shall notify the firearms dealer in the event
10 that the agent or employee who has a certificate of eligibility is or
11 becomes prohibited from possessing firearms.

12 (C) If the local jurisdiction requires a background check of the
13 agents or employees of the firearms dealer, the agent or employee
14 shall obtain a certificate of eligibility pursuant to subparagraph
15 (A).

16 (D) Nothing in this paragraph shall be construed to preclude a
17 local jurisdiction from conducting an additional background
18 check pursuant to Section 11105 or prohibiting employment based
19 on criminal history that does not appear as part of obtaining a
20 certificate of eligibility, provided however, that the local
21 jurisdiction may not charge a fee for the additional criminal history
22 check.

23 (E) The licensee shall prohibit any agent who the licensee
24 knows or reasonably should know is within a class of persons
25 prohibited from possessing firearms pursuant to Section 12021 or
26 12021.1 of this code, or Section 8100 or 8103 of the Welfare and
27 Institutions Code, from coming into contact with any firearm that
28 is not secured and from accessing any key, combination, code, or
29 other means to open any of the locking devices described in clause
30 (ii) of subparagraph (G) of this paragraph.

31 (F) Nothing in this paragraph shall be construed as preventing
32 a local government from enacting an ordinance imposing
33 additional conditions on licensees with regard to agents.

34 (G) For purposes of this section, the following definitions shall
35 apply:

36 (i) An “agent” is an employee of the licensee.

37 (ii) “Secured” means a firearm that is made inoperable in one
38 or more of the following ways:

39 (I) The firearm is inoperable because it is secured by a firearms
40 safety device listed on the department’s roster of approved

1 firearms safety devices pursuant to subdivision (d) of Section
2 12088 of this chapter.

3 (II) The firearm is stored in a locked gun safe or long-gun safe
4 which meets the standards for department-approved gun safes set
5 forth in Section 12088.2.

6 (III) The firearm is stored in a distinct locked room or area in
7 the building that is used to store firearms that can only be unlocked
8 by a key, a combination, or similar means.

9 (IV) The firearm is secured with a hardened steel rod or cable
10 that is at least one-eighth of an inch in diameter through the trigger
11 guard of the firearm. The steel rod or cable shall be secured with
12 a hardened steel lock that has a shackle. The lock and shackle shall
13 be protected or shielded from the use of a bolt cutter and the rod
14 or cable shall be anchored in a manner that prevents the removal
15 of the firearm from the premises.

16 (c) (1) As used in this article, “clear evidence of his or her
17 identity and age” means either of the following:

18 (A) A valid California driver’s license.

19 (B) A valid California identification card issued by the
20 Department of Motor Vehicles.

21 (2) As used in this section, a “secure facility” means a building
22 that meets all of the following specifications:

23 (A) All perimeter doorways shall meet one of the following:

24 (i) A windowless steel security door equipped with both a dead
25 bolt and a doorknob lock.

26 (ii) A windowed metal door that is equipped with both a dead
27 bolt and a doorknob lock. If the window has an opening of 5 inches
28 or more measured in any direction, the window shall be covered
29 with steel bars of at least $\frac{1}{2}$ inch diameter or metal grating of at
30 least 9 gauge affixed to the exterior or interior of the door.

31 (iii) A metal grate that is padlocked and affixed to the licensee’s
32 premises independent of the door and doorframe.

33 (B) All windows are covered with steel bars.

34 (C) Heating, ventilating, air-conditioning, and service
35 openings are secured with steel bars, metal grating, or an alarm
36 system.

37 (D) Any metal grates have spaces no larger than 6 inches wide
38 measured in any direction.

39 (E) Any metal screens have spaces no larger than 3 inches wide
40 measured in any direction.

1 (F) All steel bars shall be no further than 6 inches apart.

2 (3) As used in this section, “licensed premises,” “licensed
3 place of business,” “licensee’s place of business,” or “licensee’s
4 business premises” means the building designated in the license.

5 (4) For purposes of paragraph (17) of subdivision (b):

6 (A) A “firearms transaction record” is a record containing the
7 same information referred to in subdivision (a) of Section
8 178.124, Section 178.124a, and subdivision (e) of Section
9 178.125 of Title 27 of the Code of Federal Regulations.

10 (B) A licensee shall be in compliance with the provisions of
11 paragraph (17) of subdivision (b) if he or she maintains and makes
12 available for inspection during business hours to any peace officer,
13 authorized local law enforcement employee, or Department of
14 Justice employee designated by the Attorney General, upon the
15 presentation of proper identification, the bound book containing
16 the same information referred to in Section 178.124a and
17 subdivision (e) of Section 178.125 of Title 27 of the Code of
18 Federal Regulations and the records referred to in subdivision (a)
19 of Section 178.124 of Title 27 of the Code of Federal Regulations.

20 (d) Upon written request from a licensee, the licensing
21 authority may grant an exemption from compliance with the
22 requirements of paragraph (14) of subdivision (b) if the licensee
23 is unable to comply with those requirements because of local
24 ordinances, covenants, lease conditions, or similar circumstances
25 not under the control of the licensee.

26 (e) (1) Except as otherwise provided in this paragraph, the
27 Department of Justice shall keep a centralized list of all persons
28 licensed pursuant to subparagraphs (A) to (E), inclusive, of
29 paragraph (1) of subdivision (a), and all persons who have
30 submitted information pursuant to subdivision (a) of Section
31 12083. The department may remove from this list any person who
32 knowingly or with gross negligence violates this article. Upon
33 removal of a dealer from this list, notification shall be provided to
34 local law enforcement and licensing authorities in the jurisdiction
35 where the dealer’s business is located.

36 (2) The department shall remove from the centralized list any
37 person whose federal firearms license has expired or has been
38 revoked.

39 (3) Information compiled from the list shall be made available,
40 upon request, for the following purposes only:

1 (A) For law enforcement purposes.

2 (B) When the information is requested by a person licensed
3 pursuant to Chapter 44 (commencing with Section 921) of Title 18
4 of the United States Code for determining the validity of the
5 license for firearm shipments.

6 (C) When information is requested by a person promoting,
7 sponsoring, operating, or otherwise organizing a show or event as
8 defined in Section 178.100 of Title 27 of the Code of Federal
9 Regulations, or its successor, who possesses a valid certificate of
10 eligibility issued pursuant to Section 12071.1, if that information
11 is requested by the person to determine the eligibility of a
12 prospective participant in a gun show or event to conduct
13 transactions as a firearms dealer pursuant to subparagraph (B) of
14 paragraph (1) of subdivision (b).

15 (4) Information provided pursuant to paragraph (3) shall be
16 limited to information necessary to corroborate an individual's
17 current license status as being one of the following:

18 (A) A person licensed pursuant to subparagraphs (A) to (E),
19 inclusive, of paragraph (1) of subdivision (a).

20 (B) A person licensed pursuant to Chapter 44 (commencing
21 with Section 921) of Title 18 of the United States Code and who
22 is not subject to the requirement that he or she be licensed pursuant
23 to subparagraphs (A) to (E), inclusive, of paragraph (1) of
24 subdivision (a).

25 (f) The Department of Justice may inspect dealers to ensure
26 compliance with this article. The department may assess an annual
27 fee, not to exceed one hundred fifteen dollars (\$115), to cover the
28 reasonable cost of maintaining the list described in subdivision (e),
29 including the cost of inspections. Dealers whose place of business
30 is in a jurisdiction that has adopted an inspection program to ensure
31 compliance with firearms law shall be exempt from that portion of
32 the department's fee that relates to the cost of inspections. The
33 applicant is responsible for providing evidence to the department
34 that the jurisdiction in which the business is located has the
35 inspection program.

36 (g) The Department of Justice shall maintain and make
37 available upon request information concerning the number of
38 inspections conducted and the amount of fees collected pursuant
39 to subdivision (f), a listing of exempted jurisdictions, as defined
40 in subdivision (f), the number of dealers removed from the

1 centralized list defined in subdivision (e), and the number of
2 dealers found to have violated this article with knowledge or gross
3 negligence.

4 (h) Paragraph (14) or (15) of subdivision (b) shall not apply to
5 a licensee organized as a nonprofit public benefit or mutual benefit
6 corporation organized pursuant to Part 2 (commencing with
7 Section 5110) or Part 3 (commencing with Section 7110) of
8 Division 2 of the Corporations Code, if both of the following
9 conditions are satisfied:

10 (1) The nonprofit public benefit or mutual benefit corporation
11 obtained the dealer's license solely and exclusively to assist that
12 corporation or local chapters of that corporation in conducting
13 auctions or similar events at which firearms are auctioned off to
14 fund the activities of that corporation or the local chapters of the
15 corporation.

16 (2) The firearms are not pistols, revolvers, or other firearms
17 capable of being concealed upon the person.

18 (i) (1) For every verification inquiry made pursuant to
19 paragraph (1) of subdivision (f) of Section 12072, the department
20 shall determine whether the intended recipient possesses an
21 appropriate, valid license issued pursuant to Chapter 44
22 (commencing with Section 921) of Title 18 of the United States
23 Code and, if applicable, is properly licensed pursuant to this
24 section.

25 (2) If the intended recipient possesses an appropriate, valid
26 license issued pursuant to Chapter 44 (commencing with Section
27 921) of Title 18 of the United States Code, and if applicable, is
28 properly licensed pursuant to this section, the department shall
29 immediately provide a unique verification number to the inquiring
30 party.

31 (3) If the intended recipient does not possess an appropriate,
32 valid license issued pursuant to Chapter 44 (commencing with
33 Section 921) of Title 18 of the United States Code, or if applicable,
34 is not properly licensed pursuant to this section, the department
35 shall do all of the following:

36 (A) Immediately notify the inquiring party of that fact.

37 (B) Within 24 hours, notify the chief law enforcement officer
38 of the jurisdiction where the address on the federal firearms license
39 about which the inquiry was made is located, and notify an

1 appropriate employee of the federal Bureau of Alcohol, Tobacco
2 and Firearms of the denied verification.

3 SEC. 3. Section 12074 of the Penal Code is amended to read:

4 12074. (a) The register shall be prepared by and obtained
5 from the State Printer and shall be furnished by the State Printer
6 only to dealers on application at a cost to be determined by the
7 Department of General Services for each 100 leaves in
8 quadruplicate, one original and three duplicates for the making of
9 carbon copies. The original and duplicate copies shall differ in
10 color, and shall be in the form provided by this article.

11 (b) Where the electronic transfer of applicant information is
12 used, the Department of Justice shall develop the standards for all
13 appropriate electronic equipment and telephone numbers to effect
14 the transfer of information to the department.

15 SEC. 4. Section 12077 of the Penal Code is amended to read:

16 12077. (a) The Department of Justice shall prescribe the
17 form of the register and the record of electronic transfer pursuant
18 to Section 12074.

19 (b) (1) For handguns, information contained in the register or
20 record of electronic transfer shall be the date and time of sale, make
21 of firearm, peace officer exemption status pursuant to subdivision
22 (a) of Section 12078 and the agency name, dealer waiting period
23 exemption pursuant to subdivision (n) of Section 12078,
24 dangerous weapons permit holder waiting period exemption
25 pursuant to subdivision (r) of Section 12078, curio and relic
26 waiting period exemption pursuant to subdivision (t) of Section
27 12078, California Firearms Dealer number issued pursuant to
28 Section 12071, for transactions occurring prior to January 1, 2003,
29 the purchaser's basic firearms safety certificate number issued
30 pursuant to Sections 12805 and 12809, for transactions occurring
31 on or after January 1, 2003, the purchaser's handgun safety
32 certificate number issued pursuant to Article 8 (commencing with
33 Section 12800), manufacturer's name if stamped on the firearm,
34 model name or number, if stamped on the firearm, if applicable,
35 serial number, other number (if more than one serial number is
36 stamped on the firearm), any identification number or mark
37 assigned to the firearm pursuant to Section 12092, caliber, type of
38 firearm, if the firearm is new or used, barrel length, color of the
39 firearm, full name of purchaser, purchaser's complete date of
40 birth, purchaser's local address, if current address is temporary,

1 complete permanent address of purchaser, identification of
2 purchaser, purchaser's place of birth (state or country),
3 purchaser's complete telephone number, purchaser's occupation,
4 purchaser's sex, purchaser's physical description, all legal names
5 and aliases ever used by the purchaser, yes or no answer to
6 questions that prohibit purchase including, but not limited to,
7 conviction of a felony as described in Section 12021 or an offense
8 described in Section 12021.1, the purchaser's status as a person
9 described in Section 8100 of the Welfare and Institutions Code,
10 whether the purchaser is a person who has been adjudicated by a
11 court to be a danger to others or found not guilty by reason of
12 insanity, whether the purchaser is a person who has been found
13 incompetent to stand trial or placed under conservatorship by a
14 court pursuant to Section 8103 of the Welfare and Institutions
15 Code, signature of purchaser, signature of salesperson (as a
16 witness to the purchaser's signature), salesperson's certificate of
17 eligibility number if he or she has obtained a certificate of
18 eligibility, name and complete address of the dealer or firm selling
19 the firearm as shown on the dealer's license, the establishment
20 number, if assigned, the dealer's complete business telephone
21 number, any information required by Section 12082, any
22 information required to determine whether or not paragraph (6) of
23 subdivision (c) of Section 12072 applies, and a statement of the
24 penalties for any person signing a fictitious name or address or for
25 knowingly furnishing any incorrect information or for knowingly
26 omitting any information required to be provided for the register.
27 (2) Effective January 1, 2003, the purchaser shall provide his
28 or her right thumbprint on the register in a manner prescribed by
29 the department. No exception to this requirement shall be
30 permitted except by regulations adopted by the department.
31 (c) (1) For firearms other than handguns, information
32 contained in the register or record of electronic transfer shall be the
33 date and time of sale, peace officer exemption status pursuant to
34 subdivision (a) of Section 12078 and the agency name, auction or
35 event waiting period exemption pursuant to subdivision (g) of
36 Section 12078, California Firearms Dealer number issued
37 pursuant to Section 12071, dangerous weapons permitholder
38 waiting period exemption pursuant to subdivision (r) of Section
39 12078, curio and relic waiting period exemption pursuant to
40 paragraph (1) of subdivision (t) of Section 12078, full name of



1 purchaser, purchaser's complete date of birth, purchaser's local
2 address, if current address is temporary, complete permanent
3 address of purchaser, identification of purchaser, purchaser's
4 place of birth (state or country), purchaser's complete telephone
5 number, purchaser's occupation, purchaser's sex, purchaser's
6 physical description, all legal names and aliases ever used by the
7 purchaser, yes or no answer to questions that prohibit purchase,
8 including, but not limited to, conviction of a felony as described
9 in Section 12021 or an offense described in Section 12021.1, the
10 purchaser's status as a person described in Section 8100 of the
11 Welfare and Institutions Code, whether the purchaser is a person
12 who has been adjudicated by a court to be a danger to others or
13 found not guilty by reason of insanity, whether the purchaser is a
14 person who has been found incompetent to stand trial or placed
15 under conservatorship by a court pursuant to Section 8103 of the
16 Welfare and Institutions Code, signature of purchaser, signature of
17 salesperson (as a witness to the purchaser's signature),
18 salesperson's certificate of eligibility number if he or she has
19 obtained a certificate of eligibility, name and complete address of
20 the dealer or firm selling the firearm as shown on the dealer's
21 license, the establishment number, if assigned, the dealer's
22 complete business telephone number, any information required by
23 Section 12082, and a statement of the penalties for any person
24 signing a fictitious name or address or for knowingly furnishing
25 any incorrect information or for knowingly omitting any
26 information required to be provided for the register.

27 (2) Effective January 1, 2003, the purchaser shall provide his
28 or her right thumbprint on the register in a manner prescribed by
29 the department. No exception to this requirement shall be
30 permitted except by regulations adopted by the department.

31 (d) Where the register is used, the following shall apply:

32 (1) Dealers shall use ink to complete each document.

33 (2) The dealer or salesperson making a sale shall ensure that all
34 information is provided legibly. The dealer and salespersons shall
35 be informed that incomplete or illegible information will delay
36 sales.

37 (3) Each dealer shall be provided instructions regarding the
38 procedure for completion of the form and routing of the form.
39 Dealers shall comply with these instructions which shall include
40 the information set forth in this subdivision.

(4) One firearm transaction shall be reported on each record of sale document. For purposes of this subdivision, a “transaction” means a single sale, loan, or transfer of any number of firearms that are not handguns.

(e) The dealer or salesperson making a sale shall ensure that all required information has been obtained from the purchaser. The dealer and all salespersons shall be informed that incomplete information will delay sales.

(f) Effective January 1, 2003, the purchaser’s name, date of birth, and driver’s license or identification number shall be obtained electronically from the magnetic strip on the purchaser’s driver’s license or identification and shall not be supplied by any other means except as authorized by the department. This requirement shall not apply in either of the following cases:

(1) The purchaser’s identification consists of a military identification card.

(2) Due to technical limitations, the magnetic stripe reader is unable to obtain the required information from the purchaser’s identification. In those circumstances, the firearms dealer shall obtain a photocopy of the identification as proof of compliance.

(3) In the event that the dealer has reported to the department that the dealer’s equipment has failed, information pursuant to this subdivision shall be obtained by an alternative method to be determined by the department.

(g) As used in this section, the following definitions shall control:

(1) “Purchaser” means the purchaser or transferee of a firearm or the person being loaned a firearm.

(2) “Purchase” means the purchase, loan, or transfer of a firearm.

(3) “Sale” means the sale, loan, or transfer of a firearm.

SEC. 5. Section 12082 of the Penal Code is amended to read:

12082. (a) A person shall complete any sale, loan, or transfer of a firearm through a person licensed pursuant to Section 12071 in accordance with this section in order to comply with subdivision (d) of Section 12072. The seller or transferor or the person loaning the firearm shall deliver the firearm to the dealer who shall retain possession of that firearm. The dealer shall then deliver the firearm to the purchaser or transferee or the person being loaned the firearm, if it is not prohibited, in accordance with subdivision (c)

1 of Section 12072. If the dealer cannot legally deliver the firearm
2 to the purchaser or transferee or the person being loaned the
3 firearm, the dealer shall forthwith, without waiting for the
4 conclusion of the waiting period described in Sections 12071 and
5 12072, return the firearm to the transferor or seller or the person
6 loaning the firearm. The dealer shall not return the firearm to the
7 seller or transferor or the person loaning the firearm when to do so
8 would constitute a violation of subdivision (a) of Section 12072.
9 If the dealer cannot legally return the firearm to the transferor or
10 seller or the person loaning the firearm, then the dealer shall
11 forthwith deliver the firearm to the sheriff of the county or the chief
12 of police or other head of a municipal police department of any city
13 or city and county who shall then dispose of the firearm in the
14 manner provided by Sections 12028 and 12032. The purchaser or
15 transferee or person being loaned the firearm may be required by
16 the dealer to pay a fee not to exceed ten dollars (\$10) per firearm,
17 ~~plus and no other fee may be charged by the dealer for a sale, loan,~~
18 ~~or transfer of a firearm conducted pursuant to this section, except~~
19 ~~for the applicable fee that the Department of Justice may charge~~
20 ~~pursuant to Section 12076. Nothing in these provisions shall~~
21 ~~prevent a dealer from charging a smaller fee. The fee that the~~
22 ~~department may charge is the fee that would be applicable pursuant~~
23 ~~to Section 12076, if the dealer was selling, transferring, or~~
24 ~~delivering a firearm to a purchaser or transferee or person being~~
25 ~~loaned a firearm, without any other parties being involved in the~~
26 ~~transaction.~~

27 (b) The Attorney General shall adopt regulations under this
28 section to do all of the following:

29 (1) Allow the seller or transferor of the person loaning the
30 firearm, and the purchaser or transferee or the person being loaned
31 the firearm, to complete a sale, loan, or transfer through a dealer,
32 and to allow those persons and the dealer to comply with the
33 requirements of this section and Sections 12071, 12072, 12076,
34 and 12077 and to preserve the confidentiality of those records.

35 (2) Where a personal handgun importer is selling or
36 transferring a pistol, revolver, or other firearm capable of being
37 concealed upon the person to comply with clause (ii) of
38 subparagraph (A) of paragraph (2) of subdivision (f) of Section
39 12072, to allow a personal handgun importer's ownership of the
40 pistol, revolver, or other firearm capable of being concealed upon

1 the person being sold or transferred to be recorded in a manner that
2 if the firearm is returned to that personal handgun importer
3 because the sale or transfer cannot be completed, the Department
4 of Justice will have sufficient information about that personal
5 handgun importer so that a record of his or her ownership can be
6 maintained in the registry provided by subdivision (c) of Section
7 11106.

8 (3) Ensure that the register or record of electronic transfer shall
9 state the name and address of the seller or transferor of the firearm
10 or the person loaning the firearm and whether or not the person is
11 a personal handgun importer in addition to any other information
12 required by Section 12077.

13 (c) Notwithstanding any other provision of law, a dealer who
14 does not sell, transfer, or keep an inventory of handguns is not
15 required to process private party transfers of handguns.

16 (d) A violation of this section by a dealer is a misdemeanor.

